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MSC/CMA CGM
USEC- WCSA SPACE CHARTER
AGREEMENT

Original Title Page

MSC/CMA CGM U.S. East Coast-West Coast South America
SPACE CHARTER AGREEMENT

A Space Charter Agreement

FMC Agreement No. 012273

Expiration Date: None



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ARTICLE 1: FULL NAME OF THE AGREEMENT

The full name of this Agreement is the MSC/CMA CGM U.S. East Coast West Coast South America Space Charter Agreement (hereinafter referred to as the "Agreement").

ARTICLE 2: PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to authorize MSC to charter space to CMA CGM in the Trade (as hereinafter defined).

ARTICLE 3: PARTIES TO THE AGREEMENT

The parties to the Agreement (hereinafter "Party" or "Parties") are:

1. CMA CGM S.A. ("CMA CGM")
 4 Quai d'Arenc,
 13235 Marseille Cedex 02,
 France

2. MSC Mediterranean Shipping Company S.A. ("MSC")
 12-14 Chemin Rieu
 1208 Geneva
 Switzerland

ARTICLE 4: GEOGRAPHIC SCOPE OF THE AGREEMENT

The geographic scope of this Agreement shall cover the trade between Bahamas

and United States East Coast ports and U.S. inland and coastal points served via such ports, on the one hand, and ports in Jamaica and in the West Coast of South America and inland and coastal points served via such ports, on the other hand (the "Trade").¹ For the avoidance of doubt, CMA CGM may use its allocation for transshipment cargo originating in or destined to countries outside the scope of this Agreement.

ARTICLE 5: AGREEMENT AUTHORITY

5.1 MSC shall charter to CMA CGM, and CMA CGM shall purchase from MSC on a whether used or not basis and FIOS (Free In Out Stowed) basis, space on a weekly basis for the movement of 150 TEU/2,100 MT (whichever is used first) per sailing in the Trade. CMA CGM's allocation shall include 30 reefer plugs charged on a used only basis. Without further amendment to this Agreement, MSC shall charter to CMA CGM, and CMA CGM shall purchase from MSC on a whether used or not basis and FIOS (Free In Out Stowed) basis, 250 TEU/3,500 MT per sailing from the 1st of July 2014, including 50 reefer plugs charged on a used basis. MSC shall provide slots and guarantee the availability of such space or weight to CMA CGM. The Parties are authorized to discuss and agree on the terms and conditions applicable to the sale and purchase of space, including the amount of slot charter hire and charge for use of reefer plugs. Additional slots may be chartered to CMA CGM on an *ad hoc* basis, subject to space availability

5.2 (a) CMA CGM shall not sub-charter or otherwise sell any space received hereunder to any ocean common carrier, except its affiliates previously disclosed to

¹ The inclusion of the trades between the Bahamas and non-U.S. countries in the scope of this Agreement does not bring such trades within the scope of the U.S. Shipping Act or the jurisdiction of the FMC.

MSC, without the prior written consent of MSC. Should CMA CGM at any time require additional slots in the Trade in excess of those provided for herein on either a long term or *ad hoc* basis, MSC shall have a right of first refusal to provide such additional slots, fully or partly, to CMA CGM. For any such additional slots that MSC is unable to offer CMA CGM, CMA CGM may enter into a space or slot charter agreement, rationalization, or other cooperative containership arrangement with any other operator in the Trade.

(b) Dangerous goods and out-of-gauge cargo will be accepted, subject to MSC's prior approval and on such other terms as may be agreed by the Parties from time to time.

5.3 MSC and the vessels it provides shall comply with the requirements of the ISM Code. Upon request, MSC shall provide a copy of the relevant Document of Compliance and Safety Management Certificate to CMA CGM. As vessel provider, MSC shall be responsible for all operational aspects of the vessels, including but not limited to adherence to the published schedule.

5.4 (a) In cases where MSC demonstrates that the need to omit a port or ports to restore the schedule has been caused by force majeure, then MSC retains the right to discharge and load the cargo at the nearest port of convenience, with any transshipment, storage and pre- and on-carriage cost for the account of the Party that issued the bill of lading for such cargo. MSC shall in this respect undertake to ensure proper and immediate notification and provide consultation as to efforts to minimize related costs. MSC shall not in any event be responsible to CMA CGM for port omissions in the following circumstances: (i) berth congestion at the omitted port was anticipated to incur a delay of 48 hours or more; (ii) closure of the port or incapacity to operate the vessel in the port due to bad weather or strikes of any terminal service

providers or unavailability of terminal equipment anticipated to incur a delay of 48 hours or more; or (iii) save as modified by (ii) above, any lawful deviation such as saving or attempting to save life or property or force majeure as defined by agreement of the Parties. Except where port omissions are excused by this Agreement, it is MSC's responsibility to arrange, at its expense, for the pre or on carriage (including by MSC vessels) and transshipment of CMA CGM cargo and containers destined to the omitted port(s) of the rotation and the transshipment port as soon as is reasonably possible. Additionally, in any such case, MSC shall be liable to compensate CMA CGM (either in cash or in slots) for its unused allocation based on the average performance of CMA CGM over the last three liftings from the omitted port. MSC shall have no other or further responsibility to compensate CMA CGM whatsoever. The compensation shall be by space on subsequent sailings or payment at the slot release price, or a combination of both, by agreement.

(b) In the event that operating conditions such as, but not limited to, strikes by terminal employees, structurally impair MSC's ability to sustain a regular weekly service, CMA CGM agrees to pay its proportional share (slots purchased compared to vessel capacity) of any additional operating costs occurred during such period, for instance resulting from MSC's decision to deploy an extra vessel, but such action and costs are to be agreed with CMA CGM in advance. If MSC changes its schedule, for example by inserting an extra vessel and reducing speeds, CMA CGM shall share (slots purchased compared to vessel capacity) the benefit of savings made. MSC shall use its best efforts to provide not less than six (6) weeks' notice of permanent schedule changes. In the event MSC materially alters the service as it exists as of the effective date of this Agreement, then CMA CGM shall have the right to terminate this Agreement, immediately upon the effective date of such material alteration.

(c) Ad hoc addition of port(s) may be implemented, at the discretion of MSC, if such call(s) does not affect the schedule integrity and the weekly frequency of the

service and the normal transit time. In such a case, MSC will be responsible for the additional costs and will have exclusive rights of discharge/load at the additional ports of call. CMA CGM may be invited to load/discharge at the additional port(s) of call after having accepted to share the additional costs of the call (including, but not limited to, port costs, fuel and deviation costs) in proportion to its share of containers loaded/discharge/restowed in that port. If MSC has exclusive rights of discharge/load at the additional port(s) of call, and the schedule integrity is affected, consequences on scheduled integrity will not impact CMA CGM.

(d) It is understood and agreed that if and when the P3 Network Vessel Sharing Agreement, FMC Agreement No. 012230, is implemented, the MSC service on which CMA CGM receives space shall be revised by adding a port in south Florida and removing one other port. The Parties are authorized to discuss and mutually agree on the ports to be added/removed pursuant to this Article 5.4(d).

5.5 The Parties agree to comply with all applicable laws, rules, regulations, directives, or orders issued by any authorities that have jurisdiction in relation to the Trade and this Agreement. A Party in breach of such mandatorily applicable laws and regulations shall indemnify and hold the other Party harmless to the full extent of any loss, damage, cost, expense and liability, including reasonable attorneys' fees and court costs and direct loss of profits (a) for any failure of the breaching Party to comply with such laws and regulations including, but not limited to, those of the United States (including those applicable to exports); (b) for any failure of the other Party to comply with such laws and regulations based on its reliance on certifications provided by the breaching Party; and (c) for any false statements or material omissions by the breaching Party with respect thereto, including without limitation export classification and country of origin of items procured by the other Parties under this Agreement.

5.6 The Parties warrant that they are not identified on the U.S. Treasury Department's list of specially Designated Nationals and Blocked Persons (the SDN List) and goods and/or containers transported under this Agreement will not be transported on a vessel owned and/or operated by any party identified on this list. For sake of clarity this includes Islamic Republic of Iran Shipping Line (IRISL) and HDS Lines. This restriction also includes any vessel identified on said list or owned and/or operated by HDS Lines.

5.7 The Parties are authorized to discuss and agree on matters relating to terminal operators and stevedores, and to reach agreement on other issues relating to the loading and/or discharge of cargo.

5.8 The Parties are authorized to discuss and agree upon such general administrative matters and other terms and conditions concerning the implementation of this Agreement as may be necessary or convenient from time to time, including, but not limited to, performance procedures and penalties; port omission arrangements; stowage planning; record-keeping; responsibility for loss of or damage to cargo and/or containers; insurance; the handling and resolution of claims and other liabilities; indemnification; documentation and bills of lading; the treatment of hazardous and dangerous cargoes; and the monitoring and handling of and responsibility for reefer containers.

5.10 Pursuant to 46 C.F.R. § 535.408(b), any further agreement contemplated herein cannot go into effect unless filed and effective under the Shipping Act of 1984, as amended, except to the extent that such agreement concerns routine operational or administrative matters.

5.11 Each Party shall retain its separate identity and shall have separate sales, pricing and marketing functions. Each Party shall issue its own bills of lading and handle its own claims. Nothing in this Agreement shall give rise to or be construed as constituting a partnership for any purpose or extent and, unless otherwise agreed, neither Party shall be deemed to be the agent of the other.

ARTICLE 6: OFFICIALS OF THE AGREEMENT AND DELEGATIONS OF AUTHORITY

6.1 This Agreement shall be administered and implemented by meetings, decisions, memoranda, writings and other communications between the Parties.

6.2 The following individuals shall have the authority to file this Agreement with the Federal Maritime Commission as well as the authority to delegate same:

- (a) any authorized officer of each of the Parties; and
- (b) legal counsel for each of the Parties.

ARTICLE 7: MEMBERSHIP AND RESIGNATION

7.1 New Parties to this Agreement may be added only upon unanimous consent. The addition of any new Party to this Agreement shall become effective after an amendment noticing its admission has been filed with the Federal Maritime Commission and become effective under the Shipping Act of 1984, as amended.

7.2 Any Party may withdraw from this Agreement in accordance with the provisions of Article 9 hereof.

ARTICLE 8: VOTING

Except as otherwise provided herein, actions taken pursuant to, or any amendment of, this Agreement shall be by mutual consent of the Parties.

ARTICLE 9: DURATION AND TERMINATION OF AGREEMENT

9.1 (a) This Agreement shall enter into effect on the date it becomes effective under the Shipping Act of 1984, as amended, and shall commence as of that date or such later date as the Parties may agree (the "Commencement Date").

(b) The Agreement shall remain in effect for a minimum period of 24 months from Commencement Date, with a minimum notice of termination from either Party of 6 months which notice cannot be given before eighteen (18) months after the effective date of this Agreement.

9.2 Notwithstanding Article 9.1(b) above, this Agreement may be terminated pursuant to the following provisions:

(a) If at any time during the term hereof there is a change in control of a Party, and the other Party is of the opinion, arrived at in good faith, that such change is likely to materially prejudice the cohesion or viability of the Agreement, then the other Party may, within 3 months of becoming aware of such change, give not less than three months' notice in writing terminating this Agreement. For the purpose of this clause, "change of control" of a Party shall include : (i) the possession, direct or indirect by any person or entity other than as presently exists, of the power to direct or cause the direction of the management and policies of the parent or the Party, whether by the ownership and rights of voting shares, by contract or otherwise; or (ii) the ownership by the parent of less than 51% of the equity interest or voting power of such Party.

(b) If, at any time during the term of this Agreement, following the outbreak

of war (whether declared or not) or hostilities or the imminence thereof, or riot, civil commotion, revolution or widespread terrorist activity, a Party, being of the opinion that the events will render the performance of the Agreement hazardous or wholly or substantially imperiled, may terminate this Agreement on one (1) month's prior written notice.

(c) If at any time during the term hereof either Party is dissolved, becomes insolvent or fails to pay its debts as they become due, make a general assignment, arrangement or composition with, or for the benefit of its creditors, has a winding-up order made against it or enters into liquidation whether voluntarily or compulsorily, seeks or becomes the subject of the appointment of an administrator, receiver, trustee, custodian or other similar official for it or for all or substantially all of its assets and the other Party is of the opinion that such event or occurrence is or may be materially detrimental to this Agreement or sums that may be owed (other than those that would be considered disputed in good faith) may not be paid or have not been paid in full or that their payment may be delayed then the other Party may give notice to the affected Party terminating with immediate effect or suspending for such period as the other Party in its sole discretion deems appropriate, this Agreement or any part thereof.

(d) Should CMA CGM fail to comply with the requirements described in Article 5.5 of this Agreement, MSC may terminate this Agreement with immediate effect upon written notice to CMA CGM.

(e) Except as permitted in Article 5.2(a) hereof, should CMA CGM start its own service in the Trade, MSC may terminate this Agreement with immediate effect.

(f) CMA CGM may terminate this Agreement immediately upon the effective date of material alteration of the Service as it exists as of the effective date of this Agreement, as described in Article 5.4(b).

9.4. Notwithstanding the aforementioned, this Agreement may be terminated at any time subject to mutual agreement.

9.5 Notwithstanding any termination in accordance with the above, the non-defaulting Party retains its right to pursue a claim against the defaulting Party for any loss and/or damage caused or arising out of such termination. Termination for cause shall not affect any existing or accrued rights as at the date of termination and shall not relieve MSC of the obligation to deliver CMA CGM cargo that is on board MSC vessels at the time of termination.

ARTICLE 10: FORCE MAJEURE

Where the performance of a Party in whole or in part is prevented by circumstances beyond that Party's reasonable control, such as but not limited to the event of war, whether declared or not, hostilities or the imminence thereof, act of public enemies, terrorism or terrorist acts, restraint of princes, rulers or people, or compliance with any compulsorily applicable law or governmental directive, boycott against flag, political ban, epidemic, port congestion, or immunities as set out in the Hague Visby Rules Article IV Rules 1 & 2, but excluding items i, m, n, o, p in Rule 2, unusual severe weather which can cause operational hindrance any other event whatsoever which render the Agreement wholly or substantially impracticable, the Agreement shall not thereby be terminated, but the performance thereof shall be suspended (in whole or in part as appropriate) until such time as the performance thereof is again practicable, without prejudice to any rights, liabilities and obligations accrued at the date of suspension. The Parties shall cooperate to ameliorate the effect of any such events. MSC may temporarily offer an alternative service to CMA CGM, which CMA

CGM may accept at its option. Should the Agreement be wholly suspended for a period exceeding six (6) calendar months from the date of commencement of such suspension the Agreement shall terminate.

ARTICLE 11: GOVERNING LAW AND JURISDICTION

11.1 This Agreement shall be governed by and construed in accordance with English law except that nothing shall relieve the Parties of their obligation to comply with the Shipping Act of 1984, as amended.

11.2 (a) All disputes or differences arising out of or in connection with or under this Agreement which cannot be amicably resolved shall be referred to the jurisdiction of High Court of Justice in London.

(b) Either Party may at any time call for mediation of a dispute under the auspices of the LMAA. Unless agreed such mediation shall not otherwise interfere with or affect anything else including the time bars and Court procedure. If a Party calls for mediation and such is refused, the Party calling for mediation shall be entitled to bring that refusal to the attention of the Court.

ARTICLE 12: ASSIGNMENT

Neither Party shall be entitled to assign or transfer its rights or obligations under this Agreement, except with the other Party's consent.

ARTICLE 13: NOTICES

Any correspondence or notices hereunder shall be made by courier service or registered mail, or in the event expeditious notice is required, by fax confirmed by

courier or registered mail, to the following addresses:

CMA CGM:

CMA CGM
4 Quai d'Arenc
13235 Marseille Cedex 02
France
Attn: Jean-Yves Duval
E-mail: ho.jyduval@cma-cgm.com
Fax: +33 4 88 91 86 68

MSC:

MSC Mediterranean Shipping Company
S.A
12-14 Chemin Rieu
1208 Geneva, Switzerland
Attn: A. Agostinelli
E-mail: aagostinelli@mscgva.ch
Fax: +41 22 703 8787

ARTICLE 14: SEVERABILITY

If at any time during the performance of this Agreement any provision hereof is held to be invalid, illegal or unenforceable in any jurisdiction in which this Agreement is operational then the said provision shall cease to have effect between the Parties but only to the extent of such invalidity, illegality or unenforceability and no further. All remaining provisions hereof shall remain binding and enforceable.

ARTICLE 15: COUNTERPARTS

This Agreement and any amendment hereto may be executed in multiple counterparts. Each counterpart shall be deemed an original, but all together shall constitute one and the same agreement.


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SIGNATURE PAGE

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed
by their duly authorized representatives as of this 28th day of April, 2014.

MSC Mediterranean
Shipping Company S.A.

CMA CGM

By: 
Name: ANDREA AGOSTINELLI
Title: TRADE MANAGER

By: _____
Name: _____
Title: _____

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SIGNATURE PAGE

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed
by their duly authorized representatives as of this 21st day of April, 2014.

MSC Mediterranean
Shipping Company S.A.

CMA CGM

By: _____
Name: _____
Title: _____

By: _____
Name: Jean-Yves Duvall
Title: VP LATAM Lines

